

RD AN No. 4208 (1942-A)
(3570-B)
(3575-A)

August 24, 2006

TO: State Directors
Rural Development

ATTN: Community Programs Directors

FROM: Russell T. Davis (*Signed by Russell T. Davis*)
Administrator
Housing and Community Programs

SUBJECT: Eligibility of Private Nonprofit Organizations

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to clarify RD Instructions 1942-A, 3570-B, and 3575-A.

COMPARISON WITH PREVIOUS AN:

This AN replaces RD AN No. 4084 (1942-A) dated May 20, 2005, which expired on May 31, 2006.

IMPLEMENTATION:

All private nonprofit organizations must meet the “public use” requirements of the regulations governing the Community Facilities direct loan, loan guarantee, and grant programs as contained in RD Instruction 1942-A, section 1942.17(e); RD Instruction 3570-B, section 3570.61(f); and RD Instruction 3575-A, section 3575.20(e)(2). To demonstrate availability for public use, the organization must allow open membership from the community. The organization cannot restrict membership based on race, color, religion, national origin, sex, age, disability, sexual orientation, or marital or familial status.

EXPIRATION DATE:
August 31, 2007

FILING INSTRUCTIONS:
Preceding RD Instruction 1942-A,
3570-B, and 3575-A

If membership is customarily required to access and use the facility, any individual from the community who applies for membership must be given membership or be placed on a waiting list to join the organization as space becomes available on a first-come, first-served basis.

These projects must also meet all other requirements of the regulations governing the Community Facilities direct loan, loan guarantee, and grant programs. Please contact Chad Parker, (202) 720-1502, for further clarification.